

(2) Refunds do not bear interest unless required or permitted by law or contract.

[33 FR 12458, Sept. 4, 1968, as amended at 63 FR 72100, Dec. 31, 1998]

EFFECTIVE DATE NOTE: At 63 FR 72100, Dec. 31, 1998, § 550.1104 was amended, in paragraph (d), in the second sentence of the introductory text, by removing "or his designee" and adding in its place "(or authorized designee)"; in paragraph (d)(4), by adding "as defined in § 550.1103" after "FCCS"; in paragraph (d)(6), by removing "(4 CFR 102.2(e))" and adding in its place "(see the FCCS)"; in paragraph (e)(1), by adding the word "creditor" before the second appearance of the word "agency"; in paragraph (g)(2), by removing "4 CFR 102.3(c)" and adding in its place "the FCCS"; in paragraph (m), by removing "4 CFR 102.3" and adding in its place "the FCCS"; in paragraph (n), by removing "4 CFR 102.13" and adding in its place "the FCCS"; and by revising paragraphs (c) and (d)(3), effective Feb. 1, 1999. For the convenience of the user, the superseded text is set forth as follows:

§ 550.1104 Agency regulations.

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(c) *Exception to entitlement to notice, hearing, written responses, and final decisions.* In regulations covering internal collections, an agency shall except from the provisions of paragraph (b) of this section any adjustment to pay arising out of an employee's election of coverage or a change in coverage under a Federal benefits program requiring periodic deductions from pay, if the amount to be recovered was accumulated over four pay periods or less.

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(d) * * *

(3) The amount, frequency, proposed beginning date, and duration of the intended deductions;

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§ 550.1105 Review and approval of agency regulations.

(a) *Initial OPM review of agency regulations.* (1) Creditor agencies must submit regulations to the Office of Personnel Management (OPM) for review in accordance with 5 U.S.C. 5514 and this subpart prior to publication of final regulations or prior to implementation, if intragovernment collection procedures are not published. Submissions

must be for agency-wide and/or Government-wide collections.

(2) Creditor agency regulations must contain all provisions specified in § 550.1104. If agency regulations are incomplete, OPM will return them with information as to what must be done to obtain approval.

(b) *Proposed changes in salary offset regulations.* If a creditor agency proposes significant changes in the regulations covering provisions specified in § 550.1104, the proposed revisions must be submitted to OPM for review and approval prior to implementation.

(c) *Supplemental regulations.* When a creditor agency has issued approved regulations covering the provisions specified in § 550.1104, the agency may issue any supplemental regulations or instructions, consistent with its approved regulations, which are necessary for solely internal operations, without prior OPM approval.

§ 550.1106 Time limit on collection of debts.

Under the FCCS as defined in § 550.1103, agencies may not initiate offset to collect a debt more than 10 years after the Government's right to collect the debt first accrued, with certain exceptions explained in that paragraph.

[51 FR 21325, June 12, 1986, as amended at 63 FR 72100, Dec. 31, 1998]

EFFECTIVE DATE NOTE: At 63 FR 72100, Dec. 31, 1998, § 550.1106 was amended by removing "4 CFR 102.3(b)(3)" and adding "the FCCS as defined in § 550.1103" in its place, effective Feb. 1, 1999.

§ 550.1107 Obtaining the services of a hearing official.

(a) When the debtor does not work for the creditor agency and the creditor agency cannot provide a prompt and appropriate hearing before an administrative law judge or before a hearing official furnished pursuant to another lawful arrangement, the creditor agency may contact an agent of the paying agency designated in appendix A of part 581 of this chapter to arrange for a hearing official, and the paying agency must then cooperate as provided by the FCCS as defined in § 550.1103 and provide a hearing official.

(b) When the debtor works for the creditor agency, the creditor agency